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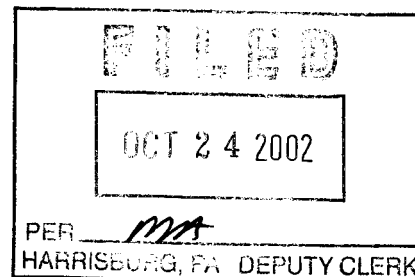
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October 18, 2002

Honorable Sylvia H. Rambo
United States District Court
Middle District of Pennsylvania
Federal Building
228 Walnut Street
Harrisburg, PA 17101

RE: Floorcoverings International
v. Freeman
Civil No. 1-CV-00-0182
Our Client/Matter #17230/24408
Status Report



Dear Judge Rambo:

This correspondence shall serve as a status report and update on the above-captioned matter. Please be advised that Defendant, William L. Freeman, filed a Personal Chapter 13 Bankruptcy on August 2, 2001, in the Middle District of Pennsylvania. As such, the automatic stay has prevented any further action from taking place in the present case before this Court. As an update on the status of the bankruptcy matter, on October 9, 2002, the Court issued an Order confirming the Debtor's Chapter 13 Plan, and the Trustee withdrew a pending objection to Debtor's plan later that week.

As a result of the continuing bankruptcy and automatic stay, Plaintiff is prevented from moving forward against Defendant/Debtor at this time. If Defendant's bankruptcy case is dismissed, we will immediately notify the Court upon receiving information of the same. Otherwise, I suspect that upon completion of Debtor's Chapter 13 Plan, the matter will have to be dismissed.

If you require further information or have any questions regarding this matter, please do not hesitate to contact me.

Very truly yours,

TUCKER ARENSBERG & SWARTZ

F. Stephenson Matthes

FSM:jz

cc: Peter J. Russo, Esquire
Dorothy Mott, Esquire
Michael R. Gray, Esquire

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